

120002417

Instrument prepared by:

VIRGINIA GAS AND OIL BOARD

Order recorded under:

CODE OF VIRGINIA
§ 45.1-361.26

BEFORE THE VIRGINIA GAS AND OIL BOARD

RELIEF SOUGHT: An Order for Disbursement of Escrowed Funds

JURISDICTION: Code of Virginia § 45.1-351. (et seq) AND § 45.1-361.22 (et seq)

UNIT/WELL NAME: AV-109

LOCATION: Buchanan County, Virginia

DOCKET NUMBER: VGOB 01-0821-0907-01

APPLICANTS: CNX Gas Company, LLC.

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
August 21, 2012

APPEARANCES: Mark Swartz on behalf of CNX Gas Company, LLC, Sharon M. B. Pigeon, Sr.
Assistant Attorney General, representing the Board.

NOTICE:

The Unit Operator gave notice that the Board would consider its disbursement petition at the August 18, 2012 hearing and consider whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow
The unit is 100% leased and escrowing will no longer be required.
- (2) Close the escrow account under this docket number.

FINDINGS: Code of Virginia § 45.1-361.22

Applicant has certified and represented to the Board that:

- (1) The unit is now 100% leased and escrowing is no longer required
- (2) That funds on deposit for docket 01-0821-0907 need to be returned to CNX Gas Company, LLC.

RELIEF GRANTED:

Because this unit is now 100% leased and is a voluntary unit, CNX Gas Company, LLC is asking that the funds in escrow be released to them. A pooling order and escrowing is no longer required.

**Refund 100% of the monies in escrow to CNX Gas Company, LLC,
Attention Anita Duty, 2481 John Nash Blvd., Bluefield, WV 24701**

1. The Escrow Agent is ordered, to within ten (10) days of receipt of this executed order, disburse funds for the unit and applicants detailed above.

2. The Escrow Agent is ordered to CLOSE the Escrow Account for the Subject Drilling unit based on the attached Revised Exhibit E which replaces all prior Exhibit E's recorded for the Subject Drilling Unit.

CONCLUSION:

Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted **and IT IS SO ORDERED.**

APPEALS:

Appeals of this Order are governed by the provisions of the *Code of Virginia* § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

DONE AND EXECUTED this 26 day of Sept, 2012, by a majority of the Virginia Gas and Oil Board.

Bradley C. Lambert
Chairman, Bradley C. Lambert

DONE AND PERFORMED this 26th day of September, 2012, by Order of the Board.

Rick Cooper
Rick Cooper
Principal Executive to the
Staff, Virginia Gas and Oil Board

STATE OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 26th day of September, 2012, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, and appeared Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board that they executed the same and were authorized to do so.

Diane Davis
Diane Davis, Notary Public
174394

My commission expires: September 30, 2013



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BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL

DOCKET NO: VGOB 01-0821-0907-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) 3
(2) AND AUTHORIZATION FOR DIRECT
PAYMENT OF ROYALTIES

HEARING DATE: August 21, 2012

DRILLING UNIT: AV-109

BUCHANAN COUNTY, VIRGINIA

MISCELLANEOUS PETITION

1. **Petitioner and its counsel:** Petitioner is CNX Gas Company LLC, 2481 John Nash Boulevard, Bluefield, West Virginia 24701, 304/323-6500. Petitioner's counsel is Mark A. Swartz, **SWARTZ LAW OFFICES, PLLC.**, 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.
2. **Relief sought:** (1) the disbursement of 100% of the escrowed funds heretofore deposited with the Board's Escrow Agent(s) all attributable to Tract(s) 3; and (2) authorization to begin paying royalties directly to the parties named in the Assignment of Escrow Account(s) dated 4/17/2012, as applicable;
3. **Legal Authority:** Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.
4. **Type of well(s):** Coalbed methane.
5. **Factual basis for relief requested:** An Assignment of Escrow Account(s) dated April 17, 2012 has been executed that provides for 100% of the escrow account to be made payable to CNX Gas Company LLC. Royalties that have accumulated from January 2012 production to present will be paid directly to the affected owners as provided in their agreement.
6. **Attestation:** The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

CNX GAS COMPANY LLC
BY ITS PROFESSIONAL MANAGER
CNX GAS COMPANY LLC, PETITIONER

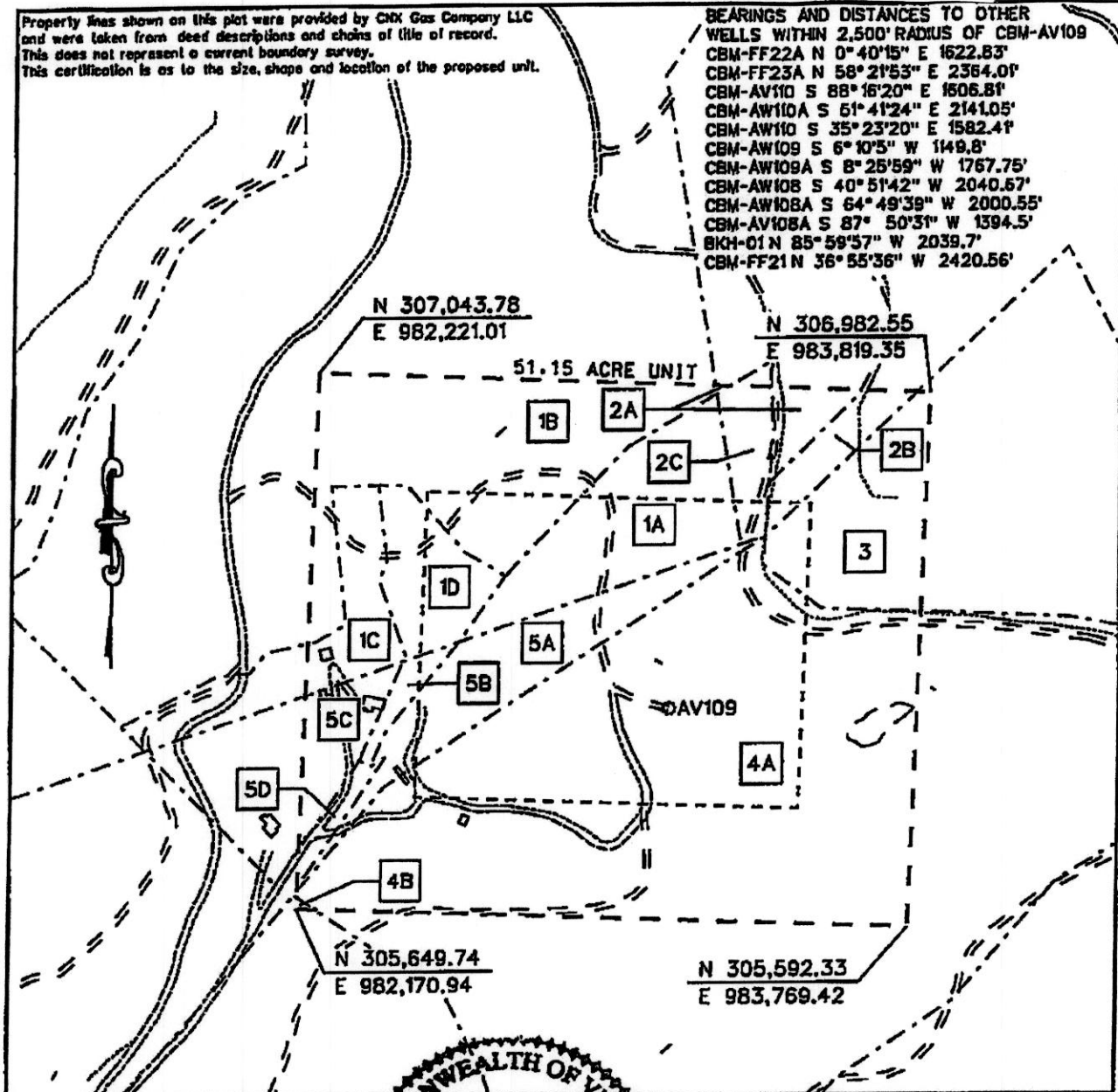
By: 

Anita D. Duty
Pooling Supervisor
CNX Land Resources Inc.
2481 John Nash Blvd.
Bluefield, West Virginia 24701



Property lines shown on this plat were provided by CNX Gas Company LLC and were taken from deed descriptions and chains of title of record. This does not represent a current boundary survey. This certification is as to the size, shape and location of the proposed unit.

BEARINGS AND DISTANCES TO OTHER
WELLS WITHIN 2,500' RADIUS OF CBM-AV109
CBM-FF22A N 0° 40' 15" E 1622.83'
CBM-FF23A N 58° 21' 53" E 2364.01'
CBM-AV110 S 88° 16' 20" E 1606.81'
CBM-AW110A S 51° 41' 24" E 2141.05'
CBM-AW110 S 35° 23' 20" E 1582.41'
CBM-AW109 S 6° 10' 5" W 1149.8'
CBM-AW109A S 8° 25' 59" W 1767.75'
CBM-AW108 S 40° 51' 42" W 2040.67'
CBM-AW108A S 64° 49' 39" W 2000.55'
CBM-AV108A S 87° 50' 31" W 1594.5'
BKH-01 N 85° 59' 57" W 2039.7'
CBM-FF21N 36° 55' 36" W 2420.56'



- CBM WELL
- ⊙ PROPOSED HORIZONTAL WELL
- ⊕ PROPOSED CBM WELL

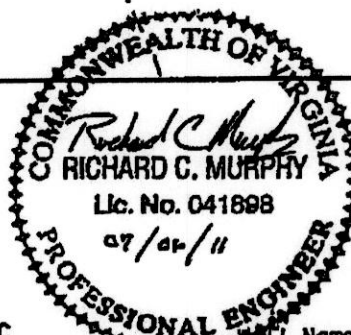


EXHIBIT A
MIDDLE RIDGE FIELD
UNIT AV109
FORCE POOLING
VGOB-01-0821-0907

Company CNX GAS COMPANY LLC Well Name and Number UNIT AV109
Tract No. Elevation Quadrangle HONAKER
County BUCHANAN/RUSSELL District NEW GARDEN/HURRICANE Scale: 1" = 400' Date
This plat is a new plat X ; an updated plat ; or a final plat

Form DGO-GO-7
Rev. 9/91

Richard C. Murphy

Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

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CNX Gas Company LLC

Unit AV 109

Tract Identifications (51.15 Acre Unit)

1. Buckhorn Coal Company, Tract 3 (Jeremiah Yates 600 Acre Tract) – All Minerals
Reserve Coal Properties Company – Below Drainage Coal Leased
Knox Creek Coal Company – Above Drainage Coal Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
15.76 acres 30.8113 %
 - 1A. Richard Ray Helton - Surface
 - 1B. Roger Helton, et ux – Surface
 - 1C. Randy Reed Helton – Surface
 - 1D. Walter Helton, Jr. – Surface
2. Buckhorn Coal Company Tr. 2 (Warder Tract 8 617.00 Acre Tract) – All Minerals
Reserve Coal Properties Company - Below Tiller Coal Leased
Knox Creek Coal Corporation - Above Drainage Coal Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
2.73 acres 5.3373 %
 - 2A. Roger Helton, et ux – Surface
 - 2B. Buckhorn Coal Company - Surface
 - 2C. Richard Ray Helton - Surface
3. Buckhorn Coal Company (Jacob Fuller 453 Acre Tract) - Coal
Knox Creek Coal Corporation - Above Drainage Coal Leased
CNX Gas Company LLC - CBM Leased
James Rasnake, et al (25 Acre Tract) – Oil and Gas
Buckhorn Coal Company (50%) / James Rasnake, et al (50%) – CBM
CNX Gas Company LLC – Oil, Gas and CBM Leased (1/24)
Jearl Blankenship, et al - Surface
3.48 acres 6.8035 %
4. Buckhorn Coal Company (Jacob Fuller 439.04 Acre Tract) – All Minerals
Knox Creek Coal Corporation - Above Drainage Coal Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
23.65 acres 46.2366 %
 - 4A. Richard Ray Helton – Surface
 - 4B. Buckhorn Coal Company – Surface

"This title block is for general informational purposes only and does not reflect an analysis of the severance deed and its effect upon coal bed methane ownership and should not be relied upon for such purpose."

CNX Gas Company LLC

Unit AV 109

Tract Identifications

(51.15 Acre Unit)

- 5. Buckhorn Coal Company (M. O. Burke 62.85 Acre Tract) – All Minerals
Knox Creek Coal Corporation - Above Drainage Coal Leased
CNX Gas Company LLC – Oil, Gas and CBM Leased
5.53 acres 10.8113 %**
- 5A. Richard Ray Helton - Surface**
- 5B. Walter Helton, Jr. – Surface**
- 5C. Randy Reed Helton – Surface**
- 5D. Buckhorn Coal Company – Surface**

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Page 2 of 2

June 29, 2011

7. 

Exhibit E
Unit AV109
Docket #VGOB-01-0821-0907-01
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Interest in Unit
<i>All conflicts resolved</i>		

4

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<i>All conflicts resolved</i>		

4

Exhibit EE
Unit AV109
Docket #VGOB-01-0821-0907-01
List of Conflicting Owners/Claimants with CBM Deeds

	Acres in Unit	Interest in Unit
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Tract #3, 3.48 acres

By Deed of Indenture dated 09/17/10 (DB 725/625) , Lucy (Hess) Blankenship conveyed an undivided one-half (1/2) interest in her claim to the CBM Estate to Buckhorn Coal Company. In turn, Buckhorn Coal Company conveyed the same.

COAL OWNERSHIP

(1) Buckhorn Coal Company (Jacob Fuller 453.00 acre tract) P. O. Box 187 Tazewell, VA 24651	3.48 acres	6.8035%
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OIL & GAS OWNERSHIP

Jacob Fuller Heirs, Devisees, Successors or Assigns
(25 acre tract)

(1) James Rasnake, et al.	3.48 acres	6.8035%
(c) Lucy Blankenship (1/24)		
(c.1) Lucy Blankenship 182 Romia Road Rowe, VA 24646	0.1450 acres 1/24 of 3.48 acres	0.2835%

INSTRUMENT #120002417
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
OCTOBER 19, 2012 AT 03:26PM
BEVERLY S. TILLER, CLERK
RECORDED BY: MXB

9 48

Exhibit EE
Unit AV109
Docket #VGOB-01-0821-0907-01
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9 4



8000907 - AV109

Trade Date 11/06/2012
Settlement Date 11/06/2012
Time Modified 11/05/2012
Description VGOB Docket #01-0821-0907-01
Well: AV-109 Location: Buchanan Cou...
Payee CNX Gas Company, LLC
FBO CNX Gas Company, LLC
Tax Year 2012
Transaction Type Distribution Per Virginia Gas & Oil Board

Less:

Check Number 31142
Gross Distribution \$2,824.49

Net Distribution \$2,824.49

8000907 - AV109

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Settlement Date 11/06/2012
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THIS DOCUMENT HAS A MULTI-COLORED FACE THAT CHANGES COLOR GRADUALLY.

SEE LIST OF SECURITY FEATURES ON THE BACK. DO NOT CASH UNLESS ALL ARE PRESENT.



TRUST DIVISION
38 E VALLEY DRIVE
BRISTOL, VA 24201
(866) 505-1496

11/06/2012

68-446
514

CHECK NO. 031142

8000907 - AV109

\$2,824.49

Two thousand eight hundred twenty four and 49/100

Dollars

PAY TO THE ORDER OF

CNX GAS COMPANY LLC
C/O ANITA DUTY
2481 JOHN NASH BLVD
BLUEFIELD WV 24701

Jack E. Phelph

⑈031142⑈ ⑆051404464⑆ 2001 004 7⑈

Hagy, Sharon (DMME)

From: VITASHARE System [vitashare@vita.virginia.gov]
Sent: Friday, November 02, 2012 8:38 AM
To: Hagy, Sharon (DMME)
Subject: New Transaction G5REIP2I57Q4XBXH-0003

Transaction details for Sharon Hagy(user shagy_1) _____

Job Id: G5REIP2I57Q4XBXH-0003

Date: Fri, Nov 2, at 08:38

Transaction Details:

Acknowledge Security Policy: I understand that this system is not intended for sensitive data.

Recipient's Email example- user1@virginia.gov, user2@virginia.gov:

AnitaDuty@consolenergy.com, dldavis@firstbank.com, gloria.clark@dmme.virginia.gov,
hilareymullins@consolenergy.com

Message - Describe file attachment: Please see recorded disbursement orders for the following dockets: 0109-03 0907-01 1399-01 2525-02 Let me know if you are unable to download the files. Thank you, Sharon

Notify me when the file is downloaded?: Yes

Pin: 920731

Files:

0109-03_Disbursement.tif
0907-01_Disbursement.tif
1399-01_Disbursement.tif
2525-02_Disbursement.tif

View details here

<<http://vitashare.vita.virginia.gov/fcweb/viewJobLink.do?JOBIDX=G5REIP2I57Q4XBXH>>

Total Estimated File Size: 458 KB

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